

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1463

To provide for the adoption of mandatory standards and procedures governing the actions of arbitrators in the arbitration of labor disputes involving transit agencies operating in the national capital area.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 1995

Mr. WOLF (for himself and Mr. DAVIS) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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## A BILL

To provide for the adoption of mandatory standards and procedures governing the actions of arbitrators in the arbitration of labor disputes involving transit agencies operating in the national capital area.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “National Capital Area  
5       Interest Arbitration Standards Act of 1995”.

6       **SEC. 2. FINDINGS AND PURPOSES.**

7       (a) FINDINGS.—The Congress finds that—

1           (1) affordable public transportation is essential  
2           to the economic vitality of the national capital area  
3           and is an essential component of regional efforts to  
4           improve air quality to meet environmental require-  
5           ments and to improve the health of both residents  
6           of and visitors to the national capital area as well  
7           as to preserve the beauty and dignity of the Nation's  
8           capital;

9           (2) use of mass transit by both residents of and  
10          visitors to the national capital area is substantially  
11          affected by the prices charged for such mass transit  
12          services, prices that are substantially affected by  
13          labor costs, since more than  $\frac{2}{3}$  of operating costs  
14          are attributable to labor costs;

15          (3) labor costs incurred in providing mass tran-  
16          sit in the national capital area have increased at an  
17          alarming rate and wages and benefits of operators  
18          and mechanics currently are among the highest in  
19          the Nation;

20          (4) higher operating costs incurred for public  
21          transit in the national capital area cannot be offset  
22          by increasing costs to patrons, since this often dis-  
23          courages ridership and thus undermines the public  
24          interest in promoting the use of public transit;

1           (5) spiraling labor costs cannot be offset by the  
2           governmental entities that are responsible for sub-  
3           sidy payments for public transit services since local  
4           governments generally, and the District of Columbia  
5           government in particular, are operating under severe  
6           fiscal constraints;

7           (6) imposition of mandatory standards applica-  
8           ble to arbitrators resolving arbitration disputes in-  
9           volving interstate compact agencies operating in the  
10          national capital area will ensure that wage increases  
11          are justified and do not exceed the ability of transit  
12          patrons and taxpayers to fund the increase; and

13          (7) Federal legislation is necessary under Arti-  
14          cle I of section 8 of the United States Constitution  
15          to balance the need to moderate and lower labor  
16          costs while maintaining industrial peace.

17          (b) PURPOSE.—It is therefore the purpose of this Act  
18          to adopt standards governing arbitration which must be  
19          applied by arbitrators resolving disputes involving inter-  
20          state compact agencies operating in the national capital  
21          area in order to lower operating costs for public transpor-  
22          tation in the Washington metropolitan area.

23       **SEC. 3. DEFINITIONS.**

24          As used in this Act—

25               (1) the term “arbitration” means—

1 (A) the arbitration of disputes, regarding  
2 the terms and conditions of employment, that is  
3 required under an interstate compact governing  
4 an interstate compact agency operating in the  
5 national capital area; and

6 (B) does not include the interpretation and  
7 application of rights arising from an existing  
8 collective bargaining agreement;

9 (2) the term “arbitrator” refers to either a sin-  
10 gle arbitrator, or a board of arbitrators, chosen  
11 under applicable procedures;

12 (3) an interstate compact agency’s “funding  
13 ability” is the ability of the interstate compact agen-  
14 cy, or of any governmental jurisdiction which pro-  
15 vides subsidy payments or budgetary assistance to  
16 the interstate compact agency, to obtain the nec-  
17 essary financial resources to pay for wage and bene-  
18 fit increases for employees of the interstate compact  
19 agency;

20 (4) the term “interstate compact agency operat-  
21 ing in the national capital area” means any inter-  
22 state compact agency which provides public transit  
23 services;

24 (5) the term “interstate compact agency”  
25 means any agency established by an interstate com-

1 pact to which the District of Columbia is a signa-  
2 tory; and

3 (6) the term “public welfare” includes, with re-  
4 spect to arbitration under an interstate compact—

5 (A) the financial ability of the individual  
6 jurisdictions participating in the compact to pay  
7 for the costs of providing public transit services;  
8 and

9 (B) the average per capita tax burden,  
10 during the term of the collective bargaining  
11 agreement to which the arbitration relates, of  
12 the residents of the Washington, D.C. metro-  
13 politan area, and the effect of an arbitration  
14 award rendered pursuant to such arbitration on  
15 the respective income or property tax rates of  
16 the jurisdictions which provide subsidy pay-  
17 ments to the interstate compact agency estab-  
18 lished under the compact.

19 **SEC. 4. STANDARDS FOR ARBITRATORS.**

20 (a) FACTORS IN MAKING ARBITRARY AWARD.—An  
21 arbitrator rendering an arbitration award involving the  
22 employees of an interstate compact agency operating in  
23 the national capital area may not make a finding or a deci-  
24 sion for inclusion in a collective bargaining agreement gov-

1 earning conditions of employment without considering the  
2 following factors:

3 (1) The existing terms and conditions of em-  
4 ployment of the employees in the bargaining unit.

5 (2) All available financial resources of the inter-  
6 state compact agency.

7 (3) The annual increase or decrease in  
8 consumer prices for goods and services as reflected  
9 in the most recent consumer price index for the  
10 Washington, D.C. metropolitan area, published by  
11 the Bureau of Labor Statistics of the United States  
12 Department of Labor.

13 (4) The wages, benefits, and terms and condi-  
14 tions of the employment of other employees who per-  
15 form, in other jurisdictions in the Washington, D.C.  
16 standard metropolitan statistical area, services simi-  
17 lar to those in the bargaining unit.

18 (5) The special nature of the work performed  
19 by the employees in the bargaining unit, including  
20 any hazards or the relative ease of employment,  
21 physical requirements, educational qualifications, job  
22 training and skills, shift assignments, and the de-  
23 mands placed upon the employees as compared to  
24 other employees of the interstate compact agency.

1           (6) The interests and welfare of the employees  
2       in the bargaining unit, including—

3           (A) the overall compensation presently re-  
4       ceived by the employees, having regard not only  
5       for wage rates but also for wages for time not  
6       worked, including vacations, holidays, and other  
7       excused absences;

8           (B) all benefits received by the employees,  
9       including previous bonuses, insurance, and pen-  
10      sions; and

11          (C) the continuity and stability of employ-  
12      ment.

13          (7) The public welfare.

14       (b) COMPACT AGENCY'S FUNDING ABILITY.—An ar-  
15      bitrator rendering an arbitration award involving the em-  
16      ployees of an interstate compact agency operating in the  
17      national capital area may not, with respect to a collective  
18      bargaining agreement governing conditions of employ-  
19      ment, provide for salaries and other benefits that exceed  
20      the interstate compact agency's funding ability.

21       (c) REQUIREMENTS FOR FINAL AWARD.—In resolv-  
22      ing a dispute submitted to arbitration involving the em-  
23      ployees of an interstate compact agency operating in the  
24      national capital area, the arbitrator shall issue a written  
25      award that demonstrates that all the factors set forth in

1 subsections (a) and (b) have been considered and applied.  
2 An award may grant an increase in pay rates or benefits  
3 (including insurance and pension benefits), or reduce  
4 hours of work, only if the arbitrator concludes that any  
5 costs to the agency do not adversely affect the public wel-  
6 fare. The arbitrator's conclusion regarding the public wel-  
7 fare must be supported by substantial evidence.

8 **SEC. 5. PROCEDURES FOR ENFORCEMENT OF AWARDS.**

9 (a) MODIFICATIONS AND FINALITY OF AWARD.—In  
10 the case of an arbitration award to which section 4 applies,  
11 the interstate compact agency and the employees in the  
12 bargaining unit, through their representative, may agree  
13 in writing upon any modifications to the award within 10  
14 days after the award is received by the parties. After the  
15 end of that 10-day period, the award, with any such modi-  
16 fications, shall become binding upon the interstate com-  
17 pact agency, the employees in the bargaining unit, and  
18 the employees' representative.

19 (b) IMPLEMENTATION.—Each party to an award that  
20 becomes binding under subsection (a) shall take all actions  
21 necessary to implement the award.

22 (c) JUDICIAL REVIEW.—Within 60 days after an  
23 award becomes binding under subsection (a), the inter-  
24 state compact agency or the exclusive representative of the  
25 employees concerned may file a civil action in a court



1 which has jurisdiction over the interstate compact agency  
2 for review of the award. The court shall review the award  
3 on the record, and shall vacate the award or any part of  
4 the award, after notice and a hearing, if—

5 (1) the award is in violation of applicable law;

6 (2) the arbitrator exceeded the arbitrator's pow-  
7 ers;

8 (3) the decision by the arbitrator is arbitrary or  
9 capricious;

10 (4) the arbitrator conducted the hearing con-  
11 trary to the provisions of this Act or other statutes  
12 or rules that apply to the arbitration so as to sub-  
13 stantially prejudice the rights of a party;

14 (5) there was partiality or misconduct by the  
15 arbitrator prejudicing the rights of a party;

16 (6) the award was procured by corruption,  
17 fraud, or bias on the part of the arbitrator; or

18 (7) the arbitrator did not comply with the pro-  
19 visions of section 4.

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